GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:3373
ANSWERED ON:12.12.2014
EXPORT IMPORT OF RICE
Birla Shri Om;Gavit Dr. Heena Vijaykumar;Gopalakrishnan Shri R.;Innocent Shri ;Mahadik Shri Dhananjay Bhimrao;Patil Shri Vijaysinh Mohite;Satav Shri Rajeev Shankarrao;Singh Shri Ravneet

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the quantum and value of different varieties of rice including Basmati rice exported and imported indicating rates thereof during each of the last three years and the current year, country and variety-wise;

(b) whether the Government has taken note of squeezing of India`s basmati rice exporters in view of higher taxes in importing countries and ban imposed by some foreign countries including Iran on import of Basmati rice, causing downfall in its export;

(c) if so, the details thereof along with the corrective measures taken by the Government in this regard including lifting of ban imposed on basmati rice by some countries;

(d) whether the exporters of basmati rice have demanded to restore the Interest Subvention Scheme which was discontinued earlier and if so, the details thereof along with the reaction of the Government thereto; and

(e) the other steps taken/being taken by the Government to boost export of rice, particularly Basmati rice and to check its price in the domestic market?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE) (SMT. NIRMALA SITHARAMAN)

(a) The details of export and import of Basmati and Non basmati rice during each of the last three years and current year, country −wise are given at Annexure − I. Variety wise data is not maintained by DGCI&S.

(b & c) Iran, which is the largest importer of Basmati Rice from India, follows system of issuance of import permit to the importers. New system of registration of source (rice mill from exporting country) has been introduced w.e.f. March 21, 2014. The standards for heavy metals and pesticide residues have been made more stringent. However, all these measures are not India specific and are followed by Govt. of Iran for import of rice from all origins.

The duty on import of rice has been increased by Govt. of Iran from 22% to 40% in view of the domestic crop season. The hike will continue till January 21, 2015. The hike in customs duty during the crop season is a regular feature in Iran.

Moreover, Iran has imposed a temporary restriction on import of rice w.e.f. 19th October, 2014. The Government engages with its trade partners in an institutional basis and takes up all trade related issues from time to time.

(d) The Government has received a request from All India Rice Exporters Association (AIREA) for restoration of Interest Subvention Scheme. The Government provides various incentives like interest subvention from time to time to promote exports. The forthcoming Foreign Trade Policy (FTP) 2014-2019 would have policy pronouncements on the various incentives for export, both general and sector specific.

(e) Agricultural and Processed Food Products Export Development Authority (APEDA), an autonomous body under the Ministry of Commerce, Govt of India has been inter-alia, mandated to develop and promote the export of basmati rice. Govt. has also mandated APEDA to protect the Intellectual Property vested in basmati rice on behalf of all stake holders. APEDA has taken following initiatives:

(i) A world wide watch agency has been appointed since 1996 to monitor the trade mark registers worldwide for any third party attempt for registration of the name 'basmati' or any deceptive variations thereof.

(ii) APEDA had applied to GI Registry in Chennai in November 2008 for registration of Basmati Rice as a GI.

(iii) APEDA has established Basmati Export Development Foundation (BEDF). Under BEDF, state-of-art laboratory has been set up in the premises of S.V.B.P. University of Agriculture & Technology, Modipuram, U.P. for quality testing and DNA profiling of Basmati Rice.

(iv) Besides the laboratory, a Demonstration and Training Farm has been set up under BEDF over an area of about 10 acres for

training the farmers in Good Practices for cultivation of Basmati Rice and Seed Production.

Domestic prices of any agriculture commodity including basmati rice, inter-alia, are a function of several factors like domestic and international demand and supply, cost of production like labour, capital, input cost etc., prevailing domestic and international food inflation etc.